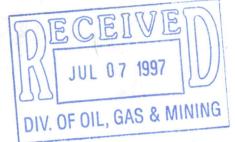
Form MR-SMO (Revised 6/96)



| This Section for DOGM Use: | | | | |
|----------------------------|---|---|-------------|--|
| Assigned DOGM File No .: | S | 1 | 1 | |
| DOGM Lead: | | | - AND COLOR | |

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5291

Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

"Small Mining Operations" means mining operations which disturb five or less surface acres at any given time.

I. GENERAL INFORMATION (Rule R647-3-104)

| 1. | Name of Mine: Golden | Empire # | 1 | X 18 | |
|--------|---|-------------------|---------------|-------------|------------|
| 2. | Name of Operator/Applicant Company () Corporation | : Golden | Empire Ltd. | vidual () | |
| 3. | Permanent Address: 1504 | | | | |
| | City: Gardnerville | | | | 89410-5273 |
| | Telephone Number: (702) | 883-8484 | | | |
| 4. | Ownership of Land Surface: | | | | |
| Privat | te (Fee) 🗆 Public Domai | n (BLM) \square | National Fore | st (USFS) 🗆 | |
| | Trust Land/School Sections | | | 1 | |
| Other | (please describe): | | | | |
| Name | <u> </u> | Address | | | - |
| Name | | Address | | | 44 |
| Name | | Address | | | |
| Name | | Address | | | |

| Name | | Address | | |
|---|--|--|--|--|
| | | Address | | |
| | | Address | | |
| | | Address | | |
| | Utah Mining Claim Number(s): | | | |
| | Utah State Lease Number(s): | ML-47330 | | |
| | Name of Lessee(s) Golden | Empire Ltd. | | |
| 6. | Have the above surface and many Yes X No No | nineral owners been notified in writing? | | |
| | If no, why not? | | | |
| Mining alone of Exploration or Lands Adminis Lands Adminis | does not satisfy the notification mining activity on State Trust stration prior to commencing ar stration (SITLA) at (801) 538-5. | re involved, notification to the Division of Oil, Gas and requirements of Mineral Leases upon State Trust Lands. Lands requires a minimum of 60 days notice to the Trust my activities. Please contact the School Institutional Trust 508 for notification requirements. | | |
| 7. | Does the operator have legal covered by this notice? Y | right to enter and conduct mining operations on the land es No | | |
| II. PROJ | ECT LOCATION & MAP | Rule R647-3-105) | | |
| 1. | Project Location (legal descri | iption): | | |
| Count | y(ies):San_Juan | | | |
| 1/4, o 1/4, o 1/4, o | f 1/4, ofSE 1/4: 5 f 1/4, of 1/4: 5 f 1/4, of 1/4: 5 | Section: 2 Township: 30 S Range: 22 E. Section: Township: Range: Range: Range: Company Range: | | |
| 2. | A topographic base map show must be submitted with this r | wing the location of the proposed small mining operation notice. A USGS 7.5 minute series map is preferred. The be plotted in sufficient detail so that they can be located or | | |

the ground. It is recommended that the operator also plot and label any pre-existing

disturbances in the immediate vicinity that he is not responsible for.

| III. | OPER | RATION PLAN (Rule R647-3-106) |
|------|------|--|
| | 1. | Type of mining: Surface ▼ Underground □ |
| | 2. | Mineral(s) to be mined: Gold |
| | 3. | Provide a brief description of the proposed mining operation and onsite processing facilities. Sand/soil screened, mixed with water, processed by a Dynamic Concentrator, processed material and water |
| | | directed thru series of three settling tanks, concentrate |
| | | moved off site for benefitation. |
| | | ☐ New Road(s): Length 10 (ft) Width 10 (ft) |
| | | ☐ Improved Road(s): Length(ft) Width(ft) |
| | | Total project surface acreage to be disturbed: 4.17 (acres) |
| | | Proposed startup date of project (month year) August, 1997 |

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover. To accomplish this, the operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining:

Proposed completion date of project, if known (month, year) August, 1998

- 1. Keep the mining operation in a safe, clean, and environmentally stable condition.
- 2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
- 3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
- 4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
- 5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
- 6. Remove all waste or debris from stream channels.
- 7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
- 8. Conduct mining activities so as to minimize erosion and control sediment.

- Reclaim all roads that are not part of a permanent transportation system.
- Stockpile topsoil and suitable overburden prior to mining.
- 11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
- 12. Properly prepare seedbed to a depth of six inches by ripping, discing, or harrowing.
- 13. Reseed disturbed areas with adaptable species. (The Division recommends seeding 20 lbs./acre of native and introduced species of grass, forb, and browse seed, and will provide a specific species list if requested.)

| | 1/4-1/2 inch into the soil - fall is the preferred time to seed. | | | | | the seed | |
|----|--|------------------------------------|--|-------------------|-------------------|----------|--|
| v. | | VARIANCE REQUEST (Rule R647-3-110) | | | | | |
| | | Yes \square | No 🗷 | | | | |
| | Req | uirements, o | riations from Rules r R647-3-109, Recla cation given for the | amation Practices | , as summarized a | | |
| | Item | Number | Variance Request | Justification | 3 | | |
| | | | | | | | |
| | | - | | | | | |

VI. SIGNATURE REQUIREMENT

| perations and to reclaim the aforementioned small mine as |
|---|
| clamation Act (40-8) and the rules as specified by the Board of |
| (1) /h |
| (Marine) Sviden |
| Vames W. Goddard |
| Secretary |
| 7-1-97 |
| |